



MARYLAND DEPARTMENT OF THE ENVIRONMENT

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Martin O'Malley
Governor

Shari T. Wilson
Secretary

Anthony G. Brown
Lieutenant Governor

Robert M. Summers, Ph.D.
Deputy Secretary

April 9, 2009

The Honorable Maggie McIntosh, Chairperson
Members of the House Environmental Matters Committee
House Office Building, Room 250
Annapolis, MD 21401

Dear Chairman McIntosh:

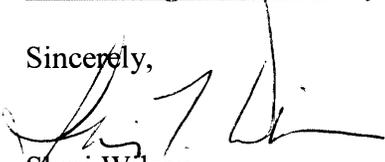
This letter responds to two issues related to the Bay Restoration Fund (BRF) that you have asked the Department to provide clarification on.

First, some have questioned whether the Department provides funding for septic system upgrades to developers and others constructing homes for sale. The Department does provide grants in these situations and intends to continue to do so provided the project meets all other eligibility requirements. The Department does not believe that the term "homeowner" used in the proposed legislation (SB 554) would require the Department to alter its funding eligibility determination with respect to ownership.

Second, it has been suggested that the Department may already have the authority to allocate BRF funding based on the owners income or the value of the property. The Department, in consultation with the Office of the Attorney General, believes that the law as currently written does allow the amount of funding provided to be adjusted based on income or property value, as well as other factors. Section 9-1605.2(h)2(i)1 of the Environment Article authorizes funds to be used for grants or loans for up to 100 percent of the eligible cost and Section 9-1605.2(l) authorizes the Department to adopt regulations necessary or appropriate to carry out the provisions of the section. Although the eligibility of a recipient for a loan or grant may not be restricted, the type (loan or grant) and level of funding can be varied according to regulations developed by the Department.

Please contact me or Dr. Robert Summers, Deputy Secretary, at 410-537-4187 or by email at bsummers@state.md.us if you would like to discuss this further.

Sincerely,



Shari Wilson
Secretary

cc: Bob Summers
Heather Barthel
Lisa Nissley

